

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-03655A CACTUS-STELLAR LIMITED 12775 W. CACTUS RIDGE HCR #2, Box 469 Box 469 TUCSON AZ 85735-0000		<div>ARIZONA CORPORATION COMMISSION</div> <div>RECEIVED SEP 23 2001</div>

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
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FOR COMMISSION USE

ANN04	01
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Processed by:

9-20-02 one

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Cactus-Stellar Ltd.

Mailing Address HCR 2, Box 469 (Change of Box #)
(Street)
Tucson AZ 85735
(City) (State) (Zip)

520-822-2214 - -
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address tutors2@earthlink.net

Local Office Mailing Address Same
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) _____ **Fax No. (Include Area Code)** _____ **Pager/Cell No. (Include Area Code)** _____

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Mike Gallego President
(Name) (Title)

HCR 2, Box 474 Tucson AZ
(Street) (City) (State) (Zip)

520-822-5177 - -
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Same
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) _____ **Fax No. (Include Area Code)** _____ **Pager/Cell No. (Include Area Code)** _____

Email Address _____

Statutory Agent: Robert Little
(Name)

4837 E. 5th St. Tucson AZ 85711
(Street) (City) (State) (Zip)

520-795-7300
Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Same
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input checked="" type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Cactus-Stellar

UTILITY PLANT IN SERVICE

Acct. No.	Tucson City Well DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	Ø		
302	Franchises	Ø		
303	Land and Land Rights	Ø		
304	Structures and Improvements	Line Fixed		
307	Wells and Springs	Ø		
311	Pumping Equipment	Ø city owned		
320	Water Treatment Equipment	Ø		
330	Distribution Reservoirs and Standpipes	Ø		
331	Transmission and Distribution Mains	Ø		
333	Services	Ø		
334	Meters and Meter Installations (18)	new meter \$158.00		
335	Hydrants	Ø		
336	Backflow Prevention Devices	Ø		
339	Other Plant and Misc. Equipment	Ø		
340	Office Furniture and Equipment	Ø		
341	Transportation Equipment	Ø		
343	Tools, Shop and Garage Equipment	Ø		
344	Laboratory Equipment	Ø		
345	Power Operated Equipment	Ø		
346	Communication Equipment	Ø		
347	Miscellaneous Equipment	Ø		
348	Other Tangible Plant	Ø		
	TOTALS	Ø 158.00	158.00	

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

*Cactus-Stellar*CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	Ø		
302	Franchises	Ø		
303	Land and Land Rights	Ø		
304	Structures and Improvements	Ø		
307	Wells and Springs	Ø ^{city} owned		
311	Pumping Equipment	Ø "		
320	Water Treatment Equipment	Ø		
330	Distribution Reservoirs and Standpipes	Ø		
331	Transmission and Distribution Mains	Ø		
333	Services	Ø		
334	Meters and Meter Installations	new meter \$158.00		
335	Hydrants	Ø		
336	Backflow Prevention Devices	Ø		
339	Other Plant and Misc. Equipment	Ø		
340	Office Furniture and Equipment	Ø		
341	Transportation Equipment	Ø		
343	Tools, Shop and Garage Equipment	Ø		
344	Laboratory Equipment	Ø		
345	Power Operated Equipment	Ø		
346	Communication Equipment	Ø		
347	Miscellaneous Equipment	Ø		
348	Other Tangible Plant	Ø		
	TOTALS	\$158.00		\$158.00

This amount goes on Comparative Statement of Income and Expense Acct. No. 403

COMPANY NAME

Cactus-Stellar

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 2,473.67	\$ 4,140.51
134	Working Funds	2,473.67	4,140.51
135	Temporary Cash Investments	Ø	Ø
141	Customer Accounts Receivable	Ø	Ø
146	Notes/Receivables from Associated Companies	Ø	Ø
151	Plant Material and Supplies	Ø	Ø
162	Prepayments	Ø	Ø
174	Miscellaneous Current and Accrued Assets	Ø	Ø
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 2,473.67	\$ 4,140.51
	FIXED ASSETS		
101	Utility Plant in Service	\$ Ø	\$ Ø
103	Property Held for Future Use	Ø	Ø
105	Construction Work in Progress	Ø	Ø
108	Accumulated Depreciation – Utility Plant <i>pd. \$159.00</i>	Ø	Ø
121	Non-Utility Property	Ø	Ø
122	Accumulated Depreciation – Non Utility	Ø	Ø
	TOTAL FIXED ASSETS	\$ Ø	\$ Ø
	TOTAL ASSETS	\$ 2,473.67	\$ 4,140.51

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Cactus StellarBALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ \emptyset	\$ \emptyset
232	Notes Payable (Current Portion) <i>Aerotech-</i>	\emptyset 425.00	\emptyset
234	Notes/Accounts Payable to Associated Companies <i>Precision Laboratories</i>	\emptyset	\emptyset
235	Customer Deposits	\emptyset	\emptyset
236	Accrued Taxes	\emptyset	\emptyset
237	Accrued Interest	\emptyset	\emptyset
241	Miscellaneous Current and Accrued Liabilities <i>plumbers</i>	363.43	\emptyset
	TOTAL CURRENT LIABILITIES	\$ 788.43	\$ \emptyset
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ \emptyset	\$ \emptyset
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ \emptyset	\$ \emptyset
252	Advances in Aid of Construction	\emptyset	\emptyset
255	Accumulated Deferred Investment Tax Credits	\emptyset	\emptyset
271	Contributions in Aid of Construction	\emptyset	\emptyset
272	Less: Amortization of Contributions	\emptyset	\emptyset
281	Accumulated Deferred Income Tax	\emptyset	\emptyset
	TOTAL DEFERRED CREDITS	\$ \emptyset	\$ \emptyset
	TOTAL LIABILITIES	\$ 788.43	\$ \emptyset
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ \emptyset	\$ \emptyset
211	Paid in Capital in Excess of Par Value	\emptyset	\emptyset
215	Retained Earnings	2,473.67	4,440.51
218	Proprietary Capital (Sole Props and Partnerships)	\emptyset	\emptyset
	TOTAL CAPITAL	\$ 2,473.67	\$ \emptyset
	TOTAL LIABILITIES AND CAPITAL	\$ 2,473.67	\$ 4,440.51

COMPANY NAME

*Cactus-Stellar***COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 9,970.87	\$ 7,703.86
460	Unmetered Water Revenue	Ø	Ø
474	Other Water Revenues	Ø	Ø
	TOTAL REVENUES	\$ 9,970.87	\$ 7,703.86
	OPERATING EXPENSES		
601	Salaries and Wages	\$ Ø	\$ Ø
610	Purchased Water <i>from City of Tucson</i>	5,576.09	5,380.60
615	Purchased Power	Ø	Ø
618	Chemicals	Ø	Ø
620	Repairs and Maintenance <i>plumber</i>	Ø	205.43
621	Office Supplies and Expense <i>stamps</i>	<i>paid ourselves</i>	204.00
630	Outside Services	Ø	Ø
635	Water Testing	210.00	425.00
641	Rents	Ø	Ø
650	Transportation Expenses	Ø	Ø
657	Insurance - General Liability	Ø	Ø
659	Insurance - Health and Life	Ø	Ø
666	Regulatory Commission Expense - Rate Case	Ø	Ø
675	Miscellaneous Expense	Ø	Ø
403	Depreciation Expense <i>meter</i>	—	158.00
408	Taxes Other Than Income	Ø	Ø
408.11	Property Taxes	Ø	Ø
409	Income Tax	Ø	Ø
	TOTAL OPERATING EXPENSES	\$ 5,786.09	\$ 6,373.03
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ Ø	\$ Ø
421	Non-Utility Income	Ø	Ø
426	Miscellaneous Non-Utility Expenses	Ø	Ø
427	Interest Expense	Ø	Ø
	TOTAL OTHER INCOME/EXP	\$ Ø	\$ Ø
	NET <u>INCOME</u>/(LOSS)	\$ 4,184.78	\$ 1,330.83

COMPANY NAME

Cactus-StellarSUPPLEMENTAL FINANCIAL DATALong-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	Ø	Ø	Ø	Ø
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ NA

Meter Deposits Refunded During the Test Year

\$ NA

COMPANY NAME

Cactus-Stellar

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
City Owned	well - Tucson Water			
NA	NA	NA	NA	NA

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
City of Tucson Water		288,561

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS <input checked="" type="checkbox"/>		FIRE HYDRANTS <input checked="" type="checkbox"/>	
Horsepower	Quantity	Quantity Standard	Quantity Other
NA		NA	

STORAGE TANKS <input checked="" type="checkbox"/>		PRESSURE TANKS <input checked="" type="checkbox"/>	
Capacity	Quantity	Capacity	Quantity
NA		NA	

STATISTICAL INFORMATION

Total number of customers 17

Total number of gallons sold 288,561 gallons

COMPANY NAME Cactus-Stellar YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported Ø
Estimated or Actual Federal Tax Liability Ø

State Taxable Income Reported Ø
Estimated or Actual State Tax Liability Ø

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances Ø
Amount of Gross-Up Tax Collected Ø
Total Grossed-Up Contributions/Advances Ø

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

COMPANY NAME Cactus-Stellar YEAR ENDING 12/31/2001

WATER AND SEWER
UTILITIES ONLY

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ Ø

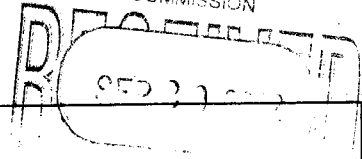
Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

Tucson City Well on their property.

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Tanya Lombardi, Treasurer</u>
COMPANY NAME	<u>Cactus-Stellar, Ltd.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 7,703.86

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Tanya Lombardi
SIGNATURE OF OWNER OR OFFICIAL
520-822-2214
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

13th (thirteenth)

DAY OF

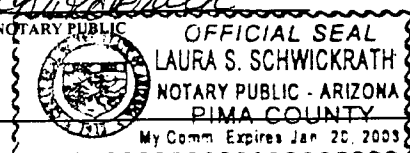
COUNTY NAME	<u>Pima</u>	
MONTH	<u>June</u>	<u>2002</u>

(SEAL)

MY COMMISSION EXPIRES

January 20, 2003

Laura S. Schwickrath
SIGNATURE OF NOTARY PUBLIC



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

ARIZONA CORPORATION
COMMISSION

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)	Pima	
NAME (OWNER OR OFFICIAL)	Tanya Lombardi	TITLE Treasurer
COMPANY NAME	Cactus-Stellar	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 7,703.86

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Tanya Lombardi
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

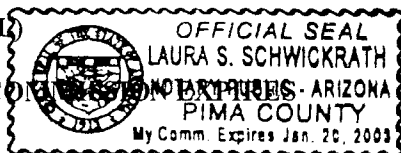
13th

DAY OF

NOTARY PUBLIC NAME Laura S Schwickrath	
COUNTY NAME Pima	
MONTH June	2002

(SEAL)

MY COM



X Laura S Schwickrath
SIGNATURE OF NOTARY PUBLIC